

Grantee: Lansing, MI

Grant: B-08-MN-26-0007

April 1, 2010 thru June 30, 2010 Performance Report

Grant Number:

B-08-MN-26-0007

Obligation Date:

03/30/2009

Grantee Name:

Lansing, MI

Award Date:**Grant Amount:**

\$5,992,160.00

Contract End Date:**Grant Status:**

Active

Review by HUD:

Submitted - Await for Review

QPR Contact:

No QPR Contact Found

Disasters:**Declaration Number**

NSP

Plan Description:

Population in Lansing has been declining slowly for two decades. Unemployment has increased to more than 10% city wide, and the number of vacant units topped 13% of the housing stock even before the mortgage foreclosure crisis began to hit in full. The number of foreclosures more than tripled between 2004 and 2007 and has continued to rise through 2008. Most of the City faces a high or very high risk of foreclosure abandonment in the next 18 months. Eight areas of the city have seen a concentration of subprime lending and foreclosure activity. They are Comstock Area, Prudden, Oak Park, Urbandale, Vision 2020, Potter Walsh, Baker Donora and Southwest Lansing neighborhoods.

Recovery Needs:

Activities need to take place to encourage stabilization of the housing market. Excess supply of housing needs to be reduced by acquiring and demolition of vacant blighted housing units or substandard housing that cannot be fully rehabilitated because it is located in flood prone areas. Vacant housing that is contributing to neighborhood decline needs to be rehabilitated and sold. Some vacant housing units need to be rehabilitated for rent to homeless families. Neighborhood stabilization assistance needs to be made available to help citizens mobilize themselves to combat blight and housing deterioration. Some new construction is needed on infill lots. Prospective home owners need assistance to reduce financial barriers to home ownership and overcome reluctance to purchase in an uncertain housing market. Funds need to be spent on administrative activities necessary to complete neighborhood stabilization initiatives.

Overall**This Report Period****To Date****Total Projected Budget from All Sources**

N/A

\$5,502,160.00

Total CDBG Program Funds Budgeted

N/A

\$5,502,160.00

Program Funds Drawdown

\$0.00

\$855,783.55

Obligated CDBG DR Funds

\$1,477,944.00

\$5,402,160.00

Expended CDBG DR Funds

\$0.00

\$1,183,656.33

Match Contributed

\$0.00

\$267,000.00

Program Income Received

\$0.00

\$0.00

Program Income Drawdown

\$0.00

\$0.00

Progress Toward Required Numeric Targets

Requirement	Required	To Date
Minimum Overall Benefit Percentage	99.99%	98.009%
Minimum Non-Federal Match	\$0.00	\$267,000.00
Limit on Public Services	\$898,824.00	\$0.00
Limit on Admin/Planning	\$599,216.00	\$28,844.37
Limit on State Admin	\$0.00	\$0.00

Progress Toward Activity Type Targets

Progress Toward National Objective Targets

National Objective	Target	Actual
NSP Only - LH - 25% Set-Aside	\$1,498,040.00	\$1,500,000.00

Overall Progress Narrative:

Overall progress on the Neighborhood Stabilization Program (NSP) grant is satisfactory. 90% of grant funds have been obligated. Acquisition activity is nearly 100% complete. Acquisition continues to lead progress in all other activities because eligible properties must first be purchased before demolition, rehabilitation and resale can occur. The NSP team continues to meet weekly to make sure progress stays on track toward meeting the deadline to fully obligate funds by September 2010.

Please Note: Funds were transferred from Activity 3 and Activity 7 because they will not be able to be used for these activities by the coming deadline for obligating funds. This quarter's report reflects an erroneous \$490,000 shortfall in the total amount of NSP funds budgeted based on data in the DRGR system as of 6-30-2010. This error is due to the fact that as of the end of the quarter the DRGR system had accepted the reduction of funds budgeted for Activities 3 and 7 in the amount of \$490,000, but had not accepted the assignment of those funds to other activities. These funds had in fact been obligated to other activities but could not be reported as such due to this problem. The error will be corrected in next quarter's report.

Acquisition of units for supportive housing is complete and rehabilitation is progressing. This activity will satisfy the requirement to invest 25% of NSP funds for the benefit of families at or below 50% of area median income.

Contracting for the rehabilitation work is well underway. One unit is completed, 5 units are under construction, 1 was in the bid process and plans and specifications were being prepared for 5 more as of the end of the quarter.

Original plans were to acquire and rehabilitate up to 15 homes for occupancy by homeless. Now that properties have been selected and specifications are completed or under way we estimate that funds will be sufficient to complete only 12 units. Rehabilitation costs are higher than initially estimated due to the fact that 4 and 5 bedroom units are proving to be more expensive to rehabilitate than the smaller units used as the basis for initial rough estimates. These larger units are needed to accommodate the large homeless families who are most in need in our community.

Working drawings for the rehabilitation of the Neighborhood Empowerment Center are complete, cost estimates are done, bids have been solicited from subcontractors and construction has started. The building will be energy efficient and LEED certified (Leading Energy Efficiency Design.) Construction schedules are tight, but the Head Start portion of the building is expected to be ready for occupancy this fall. Other tenant spaces will be completed by January. Additional funds have been allocated to this activity because other financing sources were not available according to the terms expected and the costs of financing were not feasible for affordable long term operation.

Homeowner Purchase and Rehabilitation Assistance activity was not successful because buyers have not been interested in the program. Buyers who had initially expressed interest in purchasing and rehabilitating eligible foreclosed properties ended up backing out due to their concerns about future market values and lack of confidence in their ability to control the cost of rehabilitation. Considering general buyer disinterest in this program and the end of

the federal home buyer tax credit, these funds have been transferred to other NSP activities where they can be fully obligated by the September 30, 2010 deadline.

Demolition/deconstruction activity overall is about 50% complete and is on schedule. A total of 22 properties have been cleared through demolition or deconstruction to date. During this quarter, preparation for traditional demolition was completed on 21 properties and one property was prepared for deconstruction. Deconstruction was not originally planned to be part of this activity, however it has been undertaken for two properties to date. Through deconstruction approximately 70% of the material from the site is recycled or repurposed, thereby avoiding deposit in the landfill.

Rehabilitation and resale was originally planned for ten units. All ten have been acquired. One property has been completed and three more were substantially complete as of the end of the quarter. The completed home has been sold, pending closing. Work is well under way in preparation for rehabilitation of the remaining properties. Two properties originally planned for rehabilitation have been moved to demolition because the cost of the rehabilitation work needed would exceed the cost of new construction for a similar replacement unit. Rehab costs for these units may exceed NSP funds available, however HOME funds are available to complete work on all of the units.

No problems have been encountered in finding qualified contractors to bid on the work, however new contractors continue to be sought, especially Section 3 qualified contractors and minority and women owned firms. Lead abatement training has been offered to contractors. Disbursements for rehabilitation lag construction progress due to the time required for inspection and holdbacks to ensure final completion. Overall rehabilitation progress is on schedule.

Construction is well underway for the first of two newly constructed homes planned for development. The new home is on a site formerly occupied by a foreclosed, blighted structure which has been demolished. The new home incorporates passive solar heating and universal design features. It is a single story structure with attached garage and is similar in size and appearance to the existing homes surrounding it. This project is intended to set an example for the type of new home that fits existing neighborhoods, is affordable to purchase and operate, and contains features that will make it marketable now and in the future.

A site for the second newly constructed home remains to be selected in the coming quarter. Funds will be obligated for this home prior to the September deadline. Overall, new construction activity is on schedule.

No home buyer assistance loans were made this quarter using NSP funds. It was originally anticipated that NSP home buyer assistance funds would be used primarily to assist buyers purchasing homes that were constructed or rehabilitated with NSP funds. This can not occur until homes are completed and ready for the market. Since it is unlikely a lot of the home buyer assistance funds could be obligated by the September deadline, funds were transferred to other activities where they could be used within the timeline allowed. Home buyer assistance will remain available to assist purchasers by using HOME funds or by adjusting the amount of NSP rehabilitation subsidy that is allocated to each project. Home ownership counselors have been selected and are under contract to provide the 8 hours of counseling required for NSP home buyers.

Acquisition is now nearly complete for all NSP activities. Two additional properties were acquired this quarter. The total acquired to date is 66 units. Acquisition activity was the first priority because it drives other NSP activities. Acquisition slowed during the quarter as the emphasis shifted to getting demolition and rehabilitation underway. The priority focus for acquisition during this quarter was to select the remaining properties for supportive housing. New tax foreclosed properties became available at the end of June. This will be a primary supply source for any remaining units that may need to be acquired. Acquisition activity is on track and no difficulty is anticipated in completing all purchases by the 18 month deadline to obligate funds.

The average cost for acquisition to date is \$7,842 per unit. The average discount from appraised value is more than 50%. Discounts range from a high of 99% to a low of 1% for individual properties. Properties acquired through tax foreclosure or from the HUD \$1 home program have the greatest purchase price discount. Bank owned properties have lower discounts and Fannie Mae owned properties have the least discount.

NSP funds budgeted for acquisition related activity remain available to maintain properties while they are being prepared for rehabilitation or demolition and for expenses of final disposition.

Administrative activities during the quarter included bid letting, contract development and execution, refining procedures, processing payments to contractors and vendors, accounting, tracking activities, maintaining spreadsheets, maintaining files and participating in training and monitoring among other things. Training for lead abatement and for Environmental Protection Agency (EPA) certification for rehabilitation, repair and painting (RRP) was offered to contractors.

Participation in regular weekly project management meetings between the Ingham County Land Bank and the City continued to include rehabilitation staff from both agencies. Greater staff participation helps to better monitor progress, keep track of work flow and prioritize tasks.

A revised contractor application continued in use by the Land bank and the City. New contractor recruitment and processing is ongoing. A new Section 3 policy was implemented.

City staff participated in the CDBG training offered in May at the HUD Detroit field office. City staff, Land Bank staff and Greater Lansing Housing Coalition employees and contractor participated in monitoring conducted by HUD Detroit field office in June.

Public notice was issued of changes proposed in the City of Lansing's Citizen Participation Plan to change the

definition of a substantial amendment, and to clarify and streamline the Citizen Participation process.

Project Summary

Project #, Project Title	This Report Period	To Date	
	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
1-1, Permanent Supportive Housing Development	\$0.00	\$1,500,000.00	\$107,170.33
2-1, Library Rehabilitation	\$0.00	\$500,000.00	\$0.00
3-1, Home owner Purchase and Rehabilitation Assistance	\$0.00	\$400,000.00	\$0.00
4-1, Demolition and Deconstruction	\$0.00	\$300,000.00	\$102,671.99
5-1, Housing Rehabilitation and Resale	\$0.00	\$800,000.00	\$57,221.00
6-1, New Construction	\$0.00	\$250,000.00	\$0.00
7-1, Home Buyer Assistance	\$0.00	\$90,000.00	\$0.00
8-1, Land Bank Acquisition, Disposition and Maintenance	\$0.00	\$1,552,944.00	\$554,060.52
9, Administration	\$0.00	\$599,216.00	\$34,659.71
9999, Restricted Balance	\$0.00	\$0.00	\$0.00

Activities

Grantee Activity Number:	1
Activity Title:	Permanent Supportive Housing Development

Activity Category:

Rehabilitation/reconstruction of residential structures

Project Number:

1-1

Projected Start Date:

12/01/2008

National Objective:

NSP Only - LH - 25% Set-Aside

Activity Status:

Under Way

Project Title:

Permanent Supportive Housing Development

Projected End Date:

03/01/2013

Responsible Organization:

OCOF

Overall	Apr 1 thru Jun 30, 2010	To Date
Total Projected Budget from All Sources	N/A	\$1,500,000.00
Total CDBG Program Funds Budgeted	N/A	\$1,500,000.00
Program Funds Drawdown	\$0.00	\$107,170.33
Obligated CDBG DR Funds	\$600,000.00	\$1,500,000.00
Expended CDBG DR Funds	\$0.00	\$107,170.33
OCOF	\$0.00	\$107,170.33
Match Contributed	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00

Activity Description:

Acquire and rehabilitate foreclosed homes for use as permanent supportive housing for homeless families.

Location Description:

NSP eligible block group

Activity Progress Narrative:

Original plans were to acquire and rehabilitate up to 15 homes for occupancy by homeless families. One unit is completed, 5 units are under construction, 1 was in the bid process and plans and specifications were being prepared for 5 more as of the end of the quarter.

One home initially intended for rehabilitation for supportive housing has been moved to demolition because the cost of rehabilitation would exceed the cost of new construction. The vacant site will be banked for future development and another property has been substituted for supportive housing. An additional unit planned for rehabilitation for supportive housing will be razed because the cost of rehab would exceed the cost of new construction. In this case, a new supportive housing unit will be built on the site.

Rehabilitation costs per unit for supportive housing are higher than initially projected. This is due to the extensive scope of work required to rehabilitate the large, often older homes that best suit the needs of families expected to reside in supportive housing. Based on experience to date, funds budgeted for Activity 1 are expected to be sufficient to develop 12 supportive housing units.

The scope of rehabilitation includes electrical upgrades, structural improvements, replacing furnaces, hot water heaters, plumbing, and lighting fixtures and appliances with new energy efficient equipment. New windows, siding, roofing and insulation upgrades are installed. Properties will achieve at least a 4 star energy rating and in most cases will be 5 star rated at completion. Lead paint hazards will be abated and interior finishes will be completed using durable materials. Rehab is planned to keep future operating and replacement costs low and to provide adequate space, good quality and comfort. All supportive housing sites have been identified and funds have been obligated for them. Site selection for supportive housing presented challenges because large units with 4-5 units were the top priority and these units are relatively scarce in our community. Large units that contain indoor and outdoor play space for children and are located in residential neighborhoods close to schools, parks and bus lines are the best choice for meeting the needs of the target population. Potential sites were screened with these objectives in mind.

Completed homes will be sold to OCOF Nonprofit Housing Corporation, a local supportive housing provider. OCOF will

coordinate with the Greater Lansing Homeless Resolution Network (the local Continuum of Care planning body) and local churches to refer homeless families, make rental subsidy available and provide ongoing support services. Subsidy administration, leasing and property management services will be provided by the Ingham County Housing Commission. Documents drafted during the quarter include model lease forms, mortgage documents, management agreements and deed restrictions related to NSP requirements.

The NSP team is meeting weekly to make sure progress stays on track toward finishing these units within the next 8-9 months. Based on the schedule for this activity, all of the supportive housing units are expected to be completed so that funds for the 25% set aside for low income households will be expended by March 31, 2011, well ahead of the March 2013 deadline.

Performance Measures

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of Properties	0	0	1	0/0	0/0	10/12
# of housing units	0	0	1	0/0	0/0	10/12
# of Households benefitting	0	0	0	8/12	0/0	8/12

Activity Locations

Address	City	State	Zip
800 Clark St.	Lansing	NA	48906
1205 E. Main	Lansing	NA	48912
1101 Climax	Lansing	NA	48912
1216 W. Ottawa	Lansing	NA	48915
4321 Stillwell	Lansing	NA	48911
1216 W. Ionia	Lansing	NA	48915
1137 Chelsea	Lansing	NA	48915
3201 Risdale	lansing	NA	48911
816 Walnut	Lansing	NA	48906
3401 Churchill	Lansing	NA	48911
1217 Porter	Lansing	NA	48906
3620 Wedgewood	Lansing	NA	48911

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources	Amount
No Other Funding Sources Found	
Total Other Funding Sources	

Grantee Activity Number:	2
Activity Title:	Rehabilitation of former Library

Activity Category:

Rehabilitation/reconstruction of public facilities

Project Number:

2-1

Projected Start Date:

03/01/2009

National Objective:

NSP Only - LMMI

Activity Status:

Planned

Project Title:

Library Rehabilitation

Projected End Date:

06/01/2009

Responsible Organization:

GLHC

Overall	Apr 1 thru Jun 30, 2010	To Date
Total Projected Budget from All Sources	N/A	\$500,000.00
Total CDBG Program Funds Budgeted	N/A	\$500,000.00
Program Funds Drawdown	\$0.00	\$0.00
Obligated CDBG DR Funds	\$500,000.00	\$500,000.00
Expended CDBG DR Funds	\$0.00	\$0.00
GLHC	\$0.00	\$0.00
Match Contributed	\$0.00	\$267,000.00
Program Income Received	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00

Activity Description:

Rehabilitate a 17,000 sq. ft. building for use as a one-stop Housing and Community Resource Center/Neighborhood Empowerment Center.

Location Description:

Corner Maple St. and Pine St. in Comstock NSP priority area, census tract 5.

Activity Progress Narrative:

Working drawings for the rehabilitation of the Neighborhood Empowerment Center were completed and final cost estimates are determined for the project. Bid documents were prepared and bids were let. Pre-construction demolition activity began in June. The building will be energy efficient and Leading in Energy Efficiency Design (LEED) certified. NSP funds were obligated for the project during this quarter.

Several challenges threatened the feasibility of the Neighborhood Empowerment Center and its ability to become a reality. The Greater Lansing Housing Coalition worked diligently to overcome these problems, secure additional funding revise the financing plan and bring the project to a point of readiness where contracts could be executed and work could begin.

Final construction costs are higher than initially projected, primarily due to the decision to achieve greater energy efficiency than originally contemplated and to the decision to seek a higher standard of rehabilitation that will extend the useful life of the building. This investment and revised financing plan will result in lower operating costs, reduced replacement costs in future years, greater usability and reduced risk to the nonprofit owner.

Problems arose when financing sources originally planned for the project turned out not to be available with feasible terms. The developer explored several alternatives to replace these sources with other funds and to finance the higher costs. Part of the solution to these problems involved the City's agreement to increase its allocation of NSP funds to this project to \$850,000.

The City believes this investment is well justified by the many years of service the Neighborhood Empowerment Center will provide to the community. The building is located in the heart of one of our target investment areas near a charter school and a large city park. It will house 3 Head Start classrooms. The surrounding high poverty census tracts contain a concentration of families with young children. Many children reside in low income single parent households that are the primary population targeted for Head Start programs.

The building will also provide a place for housing and neighborhood service providers who will offer home ownership counseling, home improvement resources, home maintenance classes, neighborhood services, poverty law services, housing rehabilitation programs, energy conservation resources and assistance along with other community services. Services will be

available for residents in the surrounding area and city wide.

Performance Measures

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of Public Facilities	0	0	0	0/0	0/0	2/1
# of Non-business Organizations	0	0	0	0/0	0/0	2/2
# of Persons benefitting	0	0	0	7000/3000	5000/2000	12000/5000

Activity Locations

Address	City	State	Zip
1100 N. Pine St.	Lansing	NA	48906

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources	Amount
No Other Funding Sources Found	
Total Other Funding Sources	

Grantee Activity Number:	3
Activity Title:	Homeowner Purchase Rehabilitation (HPR)

Activity Category:

Homeownership Assistance to low- and moderate-income

Project Number:

3-1

Projected Start Date:

03/01/2009

National Objective:

NSP Only - LMMI

Activity Status:

Planned

Project Title:

Home owner Purchase and Rehabilitation Assistance

Projected End Date:

03/01/2013

Responsible Organization:

GLHC

Overall	Apr 1 thru Jun 30, 2010	To Date
Total Projected Budget from All Sources	N/A	\$0.00
Total CDBG Program Funds Budgeted	N/A	\$0.00
Program Funds Drawdown	\$0.00	\$0.00
Obligated CDBG DR Funds	\$0.00	\$0.00
Expended CDBG DR Funds	\$0.00	\$0.00
GLHC	\$0.00	\$0.00
Match Contributed	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00

Activity Description:

Assist eligible home buyers in selecting, acquiring, rehabilitation properties and finding affordable fixed-rate mortgages.

Location Description:

Southwest Lansing or any NSP eligible block group.

Activity Progress Narrative:

This activity has been discontinued due to buyers's lack of interest. Buyers failed to participate despite increasing the amount available for rehabilitation and new efforts to market the program for upgrading energy efficiency and safety of foreclosed properties. Buyers cited a lack of confidence in future market value of the property and concerns for not being able to recover their investment. Funds were transferred to other activities, primarily Activity 2, the Neighborhood Empowerment Center, where they can be fully obligated by the September 30, 2010 deadline.

Performance Measures

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of housing units	0	0	0	0/0	0/0	0/0
# of Households benefitting	0	0	0	0/0	0/0	0/0

Activity Locations

No Activity Locations found.

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources**Amount**

No Other Funding Sources Found

Total Other Funding Sources

Grantee Activity Number: 4**Activity Title: Demolition of blighted property****Activity Category:**

Clearance and Demolition

Activity Status:

Under Way

Project Number:

4-1

Project Title:

Demolition and Deconstruction

Projected Start Date:

03/01/2009

Projected End Date:

03/01/2013

National Objective:

NSP Only - LMMI

Responsible Organization:

ICLB

Overall**Apr 1 thru Jun 30, 2010****To Date****Total Projected Budget from All Sources**

N/A

\$300,000.00

Total CDBG Program Funds Budgeted

N/A

\$300,000.00

Program Funds Drawdown

\$0.00

\$102,671.99

Obligated CDBG DR Funds

\$0.00

\$300,000.00

Expended CDBG DR Funds

\$0.00

\$124,273.03

ICLB

\$0.00

\$124,273.03

Match Contributed

\$0.00

\$0.00

Program Income Received

\$0.00

\$0.00

Program Income Drawdown

\$0.00

\$0.00

Activity Description:

Demolition of blighted property that is not feasible for rehabilitation.

Location Description:

Homes in 100 year flood plain or any NSP target area.

Activity Progress Narrative:

Demolition/deconstruction was completed on 19 properties in the first round of demolition/deconstruction during the quarter ending March 31, 2010. Eighteen structures were removed by traditional demolition and one property was deconstructed. Demolition/deconstruction is pending for another 22 units. One emergency demolition was completed at 1112 Farrand due to a fire at the abandoned dwelling which left the property in unsafe condition. The fire was suspected to have been caused by a squatter.

During the quarter ending June 30, 2010 hazardous materials surveys and remediation were completed for 23 units in preparation for demolition. Bid proposals were drafted for demolition on 21 units and deconstruction at one unit. Utility disconnection is pending.

The Lansing Board of Water and Light, water and electric utility provider, is behind schedule in completing utility disconnection and this has delayed the schedule for letting bids for the second round of demolition/deconstruction. Round 2 demolitions are expected to be completed in the next quarter.

A total of 21 properties have been demolished or deconstructed to date and 22 units are pending. Demolition costs are approximately \$8,000 per unit not including the cost of hazardous material assessment and remediation.

The cost for deconstruction of the only unit completed to date was about \$10,400, not including hazardous material assessment and remediation. The first deconstruction bid was awarded to a contractor with considerable experience in deconstruction who

employs trained workers.

Deconstruction was not originally planned as part of NSP activity. However the structures selected for deconstruction contain distinctive architectural components such as interior wood flooring and trim in good condition despite the structures being blighted and/or tagged as unfit for occupancy. Approximately 70% of the material in the first deconstructed structure was recycled or repurposed. The remainder went to the landfill.

Additional funds will be needed for demolition/deconstruction. Funds budgeted are not sufficient to complete the full number of number of units originally projected for demolition. Approval will be requested to transfer funds to this activity from other NSP activities that are not progressing well and the number of units acquired for demolition has been reduced.

Performance Measures

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of Properties	0	0	0	0/0	0/0	20/60
# of housing units	0	0	0	0/0	0/0	29/0
# of buildings (non-residential)	0	0	0	0/0	0/0	0/0
# of Public Facilities	0	0	0	0/0	0/0	0/0
# of Businesses	0	0	0	0/0	0/0	0/0
# of Non-business Organizations	0	0	0	0/0	0/0	0/0
# of Households benefitting	0	0	0	0/0	0/0	0/0

Activity Locations

Address	City	State	Zip
1112 Farrand	Lansing	NA	48906

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources	Amount
No Other Funding Sources Found	
Total Other Funding Sources	

Grantee Activity Number:	5
Activity Title:	Acquisition, Rehabilitation and Resale (ADR)

Activity Category:

Rehabilitation/reconstruction of residential structures

Project Number:

5-1

Projected Start Date:

03/01/2009

National Objective:

NSP Only - LMMI

Activity Status:

Under Way

Project Title:

Housing Rehabilitation and Resale

Projected End Date:

03/01/2013

Responsible Organization:

ICLB

Overall	Apr 1 thru Jun 30, 2010	To Date
Total Projected Budget from All Sources	N/A	\$800,000.00
Total CDBG Program Funds Budgeted	N/A	\$800,000.00
Program Funds Drawdown	\$0.00	\$57,221.00
Obligated CDBG DR Funds	\$0.00	\$800,000.00
Expended CDBG DR Funds	\$0.00	\$64,599.49
ICLB	\$0.00	\$64,599.49
Match Contributed	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00

Activity Description:

Acquire and rehabilitate foreclosed properties for sale to eligible home buyers.

Location Description:

NSP eligible areas.

Activity Progress Narrative:

Rehabilitation and resale was originally planned for ten units. All ten have been acquired. One property has been completed and three more were substantially complete as of the end of the quarter. The completed home has been sold to an eligible buyer, pending closing. Work is well under way in preparation for rehabilitation of the remaining properties. Two properties originally planned for rehabilitation have been moved to demolition because the cost of the rehabilitation work needed would exceed the cost of new construction for a similar replacement unit. Rehab costs for all ten of these units will exceed NSP funds available. Additional funds are expected to be available from sales of completed properties, however HOME funds are also available to complete work on all of the units if necessary.

No problems have been encountered in finding qualified contractors to bid on the work, however new contractors continue to be sought, especially Section 3 qualified contractors and minority and women owned firms. A new contractor recruitment event is in the planning stages for October 2010. Contractor recruitment will be done jointly with Ingham County Land Bank and Ingham County Housing Commission.

Lead abatement training has been offered to contractors and training required to meet the new Environmental Protection Agency (EPA) regulations for Rehabilitation, Repair and Painting (RRP) that go into effect this year.

Disbursements for rehabilitation lag behind construction progress due to the time required for inspection and holdbacks to ensure final completion. Ingham County Land Bank provides interim financing during construction and NSP funds are drawn at or near completion of the job. This creates the appearance of little spending from NSP funds. Despite this appearance, rehabilitation activity is heavy. We continue to expect all rehab work for these properties to be completed within the next 6-9 months. Overall rehabilitation progress is on schedule and progressing well.

Performance Measures

This Report Period			Cumulative Actual Total / Expected		
Low	Mod	Total	Low	Mod	Total

# of Properties	0	0	0	0/0	0/0	13/10
# of housing units	0	0	0	0/0	0/0	13/10
# of Households benefitting	0	0	0	0/0	3/10	12/10

Activity Locations

Address	City	State	Zip
1031 Queen	Lansing	NA	48915
5234 Lark Circle	Lansing	NA	48911
1201 Dakin	Lansing	NA	48912
516 W. Grand River	Lansing	NA	48906
3205 Ronald	Lansing	NA	48911
4123 Balmoral	Lansing	NA	48911
4133 Wainwright	Lansing	NA	48911
4000 Stillwell	Lansing	NA	48911
5217 Renee	Lansing	NA	48911
3118 Risdale	Lansing	NA	48911

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources	Amount
No Other Funding Sources Found	
Total Other Funding Sources	

Grantee Activity Number:	6
Activity Title:	New Construction

Activity Category:

Construction of new housing

Project Number:

6-1

Projected Start Date:

03/01/2009

National Objective:

NSP Only - LMMI

Activity Status:

Under Way

Project Title:

New Construction

Projected End Date:

03/01/2013

Responsible Organization:

ICLB

Overall	Apr 1 thru Jun 30, 2010	To Date
Total Projected Budget from All Sources	N/A	\$250,000.00
Total CDBG Program Funds Budgeted	N/A	\$250,000.00
Program Funds Drawdown	\$0.00	\$0.00
Obligated CDBG DR Funds	\$25,000.00	\$150,000.00
Expended CDBG DR Funds	\$0.00	\$0.00
ICLB	\$0.00	\$0.00
Match Contributed	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00

Activity Description:

Infill Construction of new housing for sale to NSP eligible home buyers.

Location Description:

Comstock Area, Oak Park Area or Prudden Area

Activity Progress Narrative:

Construction is well underway for the first of two newly constructed homes planned for development. The new home is on a site formerly occupied by a foreclosed, blighted structure which has been demolished. The design incorporates passive solar heating and universal design features. It is a single story structure with attached garage and is similar in size and appearance to the existing homes surrounding it. This project is intended to set an example for the type of new home that fits existing neighborhoods.

The home is planned to be affordable to purchase and affordable to operate. It contains design features that allow flexible use of spaces. The home is designed so that it will be marketable now and in the future to a variety households &ndash young families with children, households including people with or without mobility limitations, older singles or couples, young couples, singles, roommates, etc.

The first home is expected to be finished and on the market for purchase by September 30. A site for the second newly constructed home remains to be selected in the coming quarter. Planning is underway to determine the features to be demonstrated in this structure and to request bids for construction. This activity is on schedule.

Performance Measures

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of housing units	0	0	1	0/0	0/0	2/2
# of Households benefitting	0	0	0	0/0	0/2	0/2

Activity Locations

Address	City	State	Zip
5221 Hughes Rd.	Lansing	NA	48911

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources	Amount
No Other Funding Sources Found	
Total Other Funding Sources	

Grantee Activity Number:	7
Activity Title:	Down Payment Assistance (DPA)

Activity Category:

Homeownership Assistance to low- and moderate-income

Activity Status:

Planned

Project Number:

7-1

Project Title:

Home Buyer Assistance

Projected Start Date:

03/01/2009

Projected End Date:

03/01/2013

National Objective:

NSP Only - LMMI

Responsible Organization:

City of Lansing

Overall	Apr 1 thru Jun 30, 2010	To Date
Total Projected Budget from All Sources	N/A	\$0.00
Total CDBG Program Funds Budgeted	N/A	\$0.00
Program Funds Drawdown	\$0.00	\$0.00
Obligated CDBG DR Funds	\$0.00	\$0.00
Expended CDBG DR Funds	\$0.00	\$0.00
City of Lansing	\$0.00	\$0.00
Match Contributed	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00

Activity Description:

Down payment assistance for NSP eligible home buyers purchasing a foreclosed home in one of the City's priority NSP areas.

Location Description:

NSP eligible priority areas.

Activity Progress Narrative:

No home buyer assistance loans were made this quarter using NSP funds. It was originally anticipated that NSP home buyer assistance funds would be used primarily to assist buyers purchasing homes that were constructed or rehabilitated with NSP funds. This can not occur until homes are completed and ready for the market. Since it is unlikely all of the home buyer assistance funds could be obligated by the September deadline, funds were transferred to other activities where they could be used within the timeline allowed.

Home buyer assistance will remain available to assist purchasers by using HOME funds or by adjusting the amount of NSP rehabilitation subsidy that is allocated to each project. Home ownership counselors have been selected and are under contract to provide the 8 hours of counseling required for NSP home buyers.

Performance Measures

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of housing units	0	0	0	0/0	0/0	0/0
# of Households benefitting	0	0	0	0/0	0/0	0/0

Activity Locations

No Activity Locations found.

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources	Amount
No Other Funding Sources Found	
Total Other Funding Sources	

Grantee Activity Number:	8
Activity Title:	Acquisition

Activity Category:

Land Banking - Acquisition (NSP Only)

Project Number:

8-1

Projected Start Date:

03/01/2009

National Objective:

NSP Only - LMMI

Activity Status:

Under Way

Project Title:

Land Bank Acquisition, Disposition and Maintenance

Projected End Date:

03/01/2019

Responsible Organization:

ICLB

Overall	Apr 1 thru Jun 30, 2010	To Date
Total Projected Budget from All Sources	N/A	\$1,552,944.00
Total CDBG Program Funds Budgeted	N/A	\$1,552,944.00
Program Funds Drawdown	\$0.00	\$554,060.52
Obligated CDBG DR Funds	\$352,944.00	\$1,552,944.00
Expended CDBG DR Funds	\$0.00	\$858,769.11
ICLB	\$0.00	\$858,769.11
Match Contributed	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00

Activity Description:

Acquisition of foreclosed properties for rehabilitation, sale, demolition or land banking. Includes the cost of property maintenance.

Location Description:

Comstock area, Oak Park, Prudden, Vision 2020, Baker Donora, Urbandale, Potter Walsh and Southwest Lansing.

Activity Progress Narrative:

Acquisition is now nearly complete for all NSP activities. Two additional properties were acquired this quarter. The total acquired to date is 66 units. Acquisition activity was the first priority because it drives other NSP activities. Acquisition slowed even further this quarter as the emphasis shifted to accelerating demolition and rehabilitation.

The priority focus for acquisition during this quarter was to make sure all the properties needed for supportive housing were acquired. New tax foreclosed properties became available at the end of June. This will be a primary supply source for any remaining units that may need to be acquired due to fall out. Acquisition activity is on track and no difficulty is anticipated in completing all purchases in time to meet the 18 month deadline to obligate funds.

The average cost for acquisition to date is \$7,842 per unit. The average discount from appraised value is more than 50%. Discounts range from a high of 99% to a low of 1% for individual properties. Properties acquired through tax foreclosure or from the HUD \$1 home program have the greatest purchase price discount. Bank owned properties have lower discounts and Fannie Mae owned properties have the least discount.

NSP funds budgeted for acquisition related activity remain available to maintain properties in the coming months while they are being prepared for rehabilitation or demolition and for expenses of final disposition.

Performance Measures

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of Properties	0	0	2	0/0	0/0	66/70
# of housing units	0	0	2	0/0	0/0	68/70

Activity Locations

Address	City	State	Zip
1133 Regent	Lansing	NA	48912
415 S. Pennsylvania	Lansing	NA	48912

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources	Amount
Affordable fixed-rate mortgages	\$0.00
Total Other Funding Sources	\$0.00

Grantee Activity Number:	9
Activity Title:	General Program Administration

Activity Category:

Administration

Project Number:

9

Projected Start Date:

10/01/2008

National Objective:

N/A

Activity Status:

Under Way

Project Title:

Administration

Projected End Date:

03/01/2019

Responsible Organization:

City of Lansing

Overall	Apr 1 thru Jun 30, 2010	To Date
Total Projected Budget from All Sources	N/A	\$599,216.00
Total CDBG Program Funds Budgeted	N/A	\$599,216.00
Program Funds Drawdown	\$0.00	\$34,659.71
Obligated CDBG DR Funds	\$0.00	\$599,216.00
Expended CDBG DR Funds	\$0.00	\$28,844.37
City of Lansing	\$0.00	\$28,844.37
Match Contributed	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00

Activity Description:

General administrative activities required to implement the NSP grant.

Location Description:

N/A

Activity Progress Narrative:

Administrative activities during the quarter included bid letting, contract development and execution, refining procedures, processing payments to contractors and vendors, accounting, tracking activities, maintaining spreadsheets, maintaining files and participating in training and monitoring among other things. Training for lead abatement and for Environmental Protection Agency (EPA) certification for the newly implemented Rehabilitation, Repair and Painting (RRP) rules was offered to contractors. Participation in regular weekly project management meetings between the Ingham County Land Bank and the City continued to include rehabilitation staff from both agencies. Greater staff participation helps to better monitor progress, keep track of work flow and prioritize tasks. A revised contractor application continued in use by the Land bank and the City. New contractor recruitment and processing is ongoing. A new Section 3 policy was implemented. Ingham County Land Bank and the City of Lansing are each using their own installation of Community Development Manager (CDM) software for managing day to day rehabilitation and construction activity. Joint consultations were held with the software provider regarding custom reports, remote access and access to each other's systems for the purpose of sharing information. The rehabilitation specification library was updated in both systems so that the standard specifications and materials lists match. City staff participated in the CDBG training offered in May at the HUD Detroit field office. City staff, Land Bank staff and Greater Lansing Housing Coalition employees and contractor participated in monitoring conducted by HUD Detroit field office. Monitoring included visits to project sites for projects in all phases: completed, under construction and preparing for bid. Interviews with staff and contractors were conducted as well as file reviews. Public Notice was issued regarding proposed changes to the Citizen Participation Plan which was last amended in 1996. Changes are needed to update and expand methods for notifying the public to include new print and electronic media. The definition of substantial change was also amended to be more workable in the event future funding opportunities become available. Changes in wording were made to help clarify the purpose and streamline procedures for public participation. New language was proposed to notify the public of the typical times during the year when citizen input is requested.

Performance Measures

No Performance Measures found.

Activity Locations

No Activity Locations found.

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources	Amount
No Other Funding Sources Found	
Total Other Funding Sources	
